

EDWARD MICHAEL FARLEY  
P.O. Box 1696  
Palm City, FL 34991  
772-370-4388

FILED  
MAR 27 2003  
CLERK OF COURT  
BY [Signature]

**IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF NEVADA**

Thomas A. Dillon, Independent Fiduciary  
Of Employers Mutual Plans,

Plaintiff,

v.

Edward Michael Farley, et al.

Defendants.

**CASE NO. CV-N-03-0119-HDM-VPC**

**Defendant Edward Michael Farley's  
Response To Court Order and  
Accompanying Information of March 26,  
2003**

To follow is input requested by Mr. Brace with respect to a pre-trial conference. This will include Mr. Farley's response to the Court Order of March 26, 2003 and the additional attachments and information accompanying the Court Order as sent by Attorney Robert Brace. Be it known that Mr. Farley is also accompanying this response with the information requested in the four interrogatories in the original Court Order as requested in the Court Order and to the best of his ability and according to information taken directly from files maintained for the Employers Mutual clients mentioned in the Court Order.

[Signature]

### **Grounds For This Response**

1. Although Mr. Farley has been ordered to and is complying with the March 26, 2003 Court Order following the hearing with Magistrate Judge Cook, Mr. Farley, as would any conscientious insurance agent, objects to having to list Social Security numbers, names, addresses, and phone numbers of Employers Mutual Clients. The court, without the written consent of these individuals of whom files have been kept, is requesting this information. This, in Mr. Farley's understanding of HIPAA, does not allow for any client to have protection of their right, under the HIPAA Laws as currently written, to confidentiality and privacy. Should any of this information become public record, Mr. Farley should be absolved of any liability in that he complied with the Court Order rather than withhold this information on behalf of these individuals and their families.

2. Mr. Farley, and perhaps others, cannot afford any Mediator's fees or other additional fees whatsoever at this time. Due to budgetary constraints, there are no funds available at all. This places Mr. Farley at an economic disadvantage since Mr. Dillon has fees allotted to him and has not had to use his own funds. Mr. Farley is placing the court on notice of his economic situation.

3. Mr. Farley, and perhaps others, cannot afford the services of any attorney nor can he afford to "co-op" with any attorney. This is being stated as a matter of fact and for the record. This is an economic disadvantage and therefore a legal disadvantage for Mr. Farley, and perhaps others. Mr. Farley wishes to place the court on notice of this fact.

4. Mr. Farley, and perhaps others, objects to any use of "one common attorney" to serve the various and different needs of the entire list of Defendants. Mr. Farley believes that no

one person is qualified, that no one person has all the facts, that any additional expense, time, travel, etc. is not realistic in attempting to work with "one common attorney". How one attorney would be capable of coordinating the various needs of hundreds of defendants is a question to Mr. Farley and something he is gravely concerned about. This places Mr. Farley, and perhaps others, at a disadvantage in defending himself.

5. The venue of Reno, Nevada makes use of time difficult since Mr. Farley is 3 time zone hours removed from that location. Mr. Farley cannot afford to travel such a distance, rent hotel/motel space, and pay for his own meals and transportation. This places Mr. Farley, and perhaps others, at a disadvantage in defending himself.

6. The venue of Reno, Nevada is far removed from any of the Employers Mutual clients Mr. Farley would have come in contact with. This places these individuals, their wishes and interests as a lower priority as a result.

7. The venue of Reno, Nevada is far removed from any agents Mr. Farley could have contacted personally. Mr. Farley himself, and others included are at a disadvantage in defending themselves as a result of this.

8. Mr. Farley objects to the one-sided discovery thus far in this case. Mr. Bastie is trying to defend himself with both hands tied behind his back.

9. When Mr. Bastie asked Magistrate Judge, Valerie Cook about being contacted for telephonically attending the pre-trial conference for August 26, 2003, Judge Cook stated, in the meeting concerning Objections on July 21, 2003, that "...the clerk of the court will, uh I assume, Judge McKibben's clerk, deputy court clerk, will have all of the telephone numbers for parties, just as my court clerk did and she will make those arrangements sir,

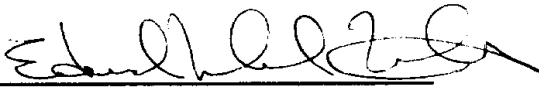
and be in touch with you. Mr. Bastie. Today's date is August 11, 2003, and no one has contacted Mr. Farley or Mr. Bastie as of yet.

10. When placed on notice concerning certain tactics being used by Mr. Brace appearing to be fraudulent and attempting to use the color of law to procure money, Judge Cook struck from the record Mr. Bastie's notice. It would seem that any court would be the least bit interested in investigating the allegations and complaints as to these serious events.

11. Mr. Farley objects (input was requested) to Mr. Brace's drafted Preliminary Report in its entirety and objects to the court accepting it in any form at this time. Mr. Brace's Case Management Order is objectionable on its face.

#### **Conclusion**

The responses of Mr. Farley were requested by Mr. Brace in his accompanying paperwork and Court Order of March 26, 2003 and therefore should be considered either prior to or during the August 26, 2003 conference with Judge McKibben.

Prepared and submitted by:   
Edward Michael Farley

#### **Certificate of Service**

I, Edward Michael Farley, certify that August 13, 2003, I mailed a true and correct copy of the above and foregoing response via first class mail to:

Robert L. Brace  
P.O. Box 630  
Santa Barbara, CA 93102

and

Richard W. Horton  
Suite 1100 Bank of America Plaza  
50 W. Liberty Street  
Reno, NV 89501

## **RESPONSE TO ATTACHMENT B**

### **COURT ORDERED INTERROGATORIES TO BE ANSWERED BY DEFENDANT**

#### **INSURANCE PRODUCERS**

This is Edward Michael Farley's response to the Interrogatories as per Court Order and schedule set forth for Mr. Farley to respond (see Order, generated by Magistrate Valerie Cook following July 23, 2003 meeting in her chambers). These responses are no admission of any fault, liability, guilt, or any other admission. These responses are merely responses as per Attachment B. As to the in-depth nature of the information, these are the files within my possession and all information is listed as is in each file.

#### **Interrogatory No.1**

As to identifying each plan, employer, employee (and employee dependents) who purchased the **ERISA Plan** with my knowledge and whose file I maintain to some extent, I am providing what limited information is contained in the files. See attached information, pages 1 – 9. As to anyone who "purchased the subject insurance by or through you..." there were no individuals that fit in this category. The Feb. 1, 2003 Court Order specifically listed Employers Mutual Plans being under the Department of Labor, ERISA, and stated that each plan was an EWBP, therefore, the term "insurance" is inappropriate.

#### **Interrogatory No. 2**

This refers only to ERISA EWBP's since no "insurance" was marketed to anyone as stated above. As to each client: provide their address, phone number and social security number. Please refer to pages 1 – 9 for this information. Again, this is provided to the extent that it is maintained in a file.

#### **Interrogatory No. 3**

As to each client, provide their inception date, termination date and the amount of premiums paid. Inception dates are listed in pages 1 – 9 and most of the termination dates are listed. Those unknown are not listed. As to any premiums or fees, Mr. Bastie only lists the amount of each "first month's" check. He has no direct first hand information concerning what was paid or not paid after that time. Again, these statements relate to ERISA Plans, not insurance.

#### **Interrogatory No. 4**

Identify each Insurance Producer with whom you, the responding Insurance Producer, shared a commission override or had a commission override agreement. Since all agreements were with Associated Agents of America, Mr. Farley has no agreements in his possession. As to a list of shared override fees, Mr. Farley has listed 33 names with whom he, Mr. Starling, & Mr. Bastie shared override fees. Mr. Farley recruited but a few of these individuals. Most were either recruited by others or were recruited by Associated Agents of America. The only link with some of the individuals listed on this page was a monetary override and Mr. Farley had no knowledge otherwise of these individuals, their clients, nor any agent or agents they may have recruited to market Employers Mutual or any other health, life, disability, dental, vision, or other plan. ERISA Plans can provide fees to marketers; insurance plans on the other hand, provide commissions. Please note this fact for the record.

Employer's Medical Clients & Information  
According to files Compiled Aug 2003

AWR of The Treasure Coast, Inc.  
3301 SE State St, Stuart, FL 34997

- ① Wislet André - Employee 593-85-0173 \$ 335.50/mo  
Josiane Andre' - Spouse  
Chalise Andre' - Daughter  
Willet André - Son
- ② Hepburn Ashenback Employee 148-34-4715 \$ 295.50/mo  
Margaret Ashenback Spouse
- ③ Kristopher Ashenback Employee 593-24-9349 \$ 325.50/mo  
April Marie Ashenback Spouse  
Alyson Marie Ashenback Daughter
- ④ Kendra Bramble Employee 264-31-7585 \$ 265.50/mo  
Michael Bramble Spouse
- ⑤ Christopher Higgins Employee 591-03-3998 \$ 146.50
- ⑥ Paul ~~Gomes~~ Employee 595-12-8255 \$ 156.50
- ⑦ Miguel Martinez Employee 592-74-1863 \$ 146.50
- ⑧ Scott Watson Employee 526-89-0590 236.50  
Michelle Lokaslia-Watson Spouse
- ⑨ John White Employee 594-03-5470 \$ 335.50  
Patty Ann White Spouse  
John Timothy White Jr Son  
Ariel Lee White Daughter
- 10 Todd White Employee 266-79-2126 \$ 156.50

Employer's Mutual Client Information - Continued

Page 2

Gateway Building & Design Inc

969 So. Federal Hwy Ste 300, Stuart, FL 34984

- ① Margaret Marchant - Employee 310-44-6647  
Renee E. Marchant - Spouse
- ② Michael N. Motto Jr. - Employee 097-34-1365 \$201.00  
John E. Motto - Spouse
- ③ Robert Andrews - Employee 446-36-5119 \$356.00  
Gloria M. Andrews - Spouse
- ④ Anthony J. Scalise - Employee 117-46-5349 \$420.00  
Diane M. Scalise - Spouse  
Joseph J. Scalise - Son  
Anthony M. Scalise - Son
- ⑤ John Pietrantonio - Employee 134-40-1628 \$201.00
- ⑥ Michael W. Motto III - Employee 075-64-4037 281  
Anabella Motto - Spouse

Kirchhofer LLC dba

Flamboyant Hummingbird Bistro

3227 SW Moss Rd., Palm City, FL 34980

- ① Eric Kirchhofer - Employee - 071-40-4133 \$187.00
- ② Poly Rognsvog - Employee 243-74-3386 \$181.00
- ③ Marie-Louise Kirchhof - Employee 071-40-4134 203.00

LINDA LA ROSA

Self Employed Event Planner

85 Gulfstream Rd., Dawn Beach, FL 33004

- Linda La Rosa - Employee - 266-86-1995 \$180.30



Employers Medical Claim Information Continued

Pg 3

Maureen Matthews -

Self Employed Event Maker

Maureen Matthews - Employee - 373-54-1285 \$ 180.50

Mother Nature's Lawn & Garden

3340 So. Federal Highway, Ste 233, Stuart, FL 34997

Tammy Lowmy - Employee - 261-41-7261 \$ 361.50

Six Boy's, Inc.

2269 Magna's Ocean Walk, Vero Beach, FL 32963

Dario Bordoli - Employee - 593-78-8127 \$ 365.00

Diana M Bordoli Spouse -

Stefano Bordoli Son

Alessandro D. Bordoli Son

Christian G.L. Bordoli Son

Adriano M. Bordoli Son

Giordano M. Bordoli Son

Matteo F. Bordoli Son

Tropical Porcine Enterprises Inc.

PO Box 871 Palm City, FL 34981

James D. Budd - Employee - 222-34-6294 \$ 70.50

Janice Albin, Self Employed

3733 NE 20th Terr, Oventura, FL 33180

Janice Albin - Employee - 267-96-5375 \$ 294.00

AIA Glass & Tinting Inc.

3574 SE Davis Hwy, Stuart, FL 34994

Kimberly Morey - Employee - 238-55-1547 \$ 239.00

Carl B Morey Spouse

Employer's Personal Client Information Continued pg 4

CLC Furniture, Inc. dba

Bedrock Home Furnishings

1601 US1 Vero Beach, FL 32960

Barbara Arnold - Employee - 407-08-8099	\$163 <sup>00</sup>
Georgia Manders - Employee - 520-56-2807	\$189 <sup>00</sup>
Kristopher D. White - Employee 592-48-4085	\$158 <sup>00</sup>
Mike John Warren - Employee 554-64-6141	\$158 <sup>00</sup>
Henry Chambliss - Employee 590-64-2109	\$163 <sup>00</sup>

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Marylou Silva dba ShearTalent Hair

Styling Salon

1979 NE Dixie Hwy Jensen Beach FL 34957

Marylou Silva, - Employee - 152-56-5404 \$475<sup>00</sup>

Tony M Silva, Spouse

Tony M Silva Jr. Son

Stephen B Silva Son

Amanda M. Silva Son

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Richard H. Corbett Landscape

P. O. Box 251 Jensen Beach FL 34957

Richard H. Corbett - Employee - 047-424215 \$193<sup>00</sup>

This List compiled from Fee Statements generated by  
Associated Agents of America.

Agents with whom Edward Michael Forbey shared  
conried fees with concerning Employer's Mutual LLC.  
William F. Starling & Gary Bortie also shared in these  
fees.

- |                     |                      |
|---------------------|----------------------|
| 1. Karen Barber     | 21. Annie Salter     |
| 2. Donald Carroll   | 22. Claude Simpson   |
| 3. Kevin Caulli     | 23. James Tuton      |
| 4. James Colletta   | 24. Hank Wilk III    |
| 5. Tom Coleman      | 25. Angie Yanda      |
| 6. Anthony DiRienzo | 26. Leon Yanezroudis |
| 7. Bruce Fletcher   | 27. Kay Page         |
| 8. Rick Gerardo     | 28. Lillian B. Gore  |
| 9. John Johnson     | 29. Grant Darbyson   |
| 10. James Laug      | 30. Ernie Pervano    |
| 11. Cabot Lord      | 31. Arthur Starlin   |
| 12. Mark Moskowitz  | 32. Gary Miano       |
| 13. Tim O'Hara      | 33. Edgar Kraschick  |
| 14. Jane Pordgen    |                      |
| 15. Sherril Perry   |                      |
| 16. Steven Pickett  |                      |
| 17. Susan Pine      |                      |
| 18. Brent Pinkerton |                      |
| 19. Stanley Putman  |                      |
| 20. Steven Riemer   |                      |